

**GOVERNMENT OF TELANGANA**  
**ABSTRACT**

Mini Industrial Estate (MIE), Hafeezpet - Request of M/s Kakatiya Industrial & Commercial Developers Private Limited, MIE, Hafeezpet, Plot No. 6, 7, 8 and 21/A, Mini Industrial Estate, Hafeezpet, Rangareddy District for extension of the lease hold rights for a further period of 25 years - Violations of terms of Lease deed - Rejection for the extension of lease period and cancellation of the existing lease - Orders- issued.

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**INDUSTRIES & COMMERCE (FP & MSME) DEPARTMENT**

G.O.RT.No. 230

Dated: 27-07-2016  
Read the following:

1. Lease Deed Dt. 25/01/2008 between GM, DIC, Ranga Reddy District and M/s Kakatiya Industrial & Commercial Developers Pvt. Ltd., MIE, Hafeezpet, R.R Dist..
2. Memo No. 2274/INF/A2/2008 dt. 04.01.2010 of I&C Dept ,Govt of Andhra Pradesh.
3. Report Dt. 23.04.2011 of the Committee constituted by the Commr. of Industries, Hyderabad.
4. Letter No. 29/1/2006/0507 ID dated 26.04.2011 of Commissioner of Industries, Hyderabad.
5. Orders of the Hon'ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh, Dated:15-12-2015 in W.P.No.8576/2011.
6. Letter No. 29/1/2006/0507/21493 /FD dated :17/03/2016 of Commissioner of Industries, Hyderabad.
7. Orders of the Hon'ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh, Dated :01.07.2016 in C.C.No. 579 of 2016 in W.P.No.8576/2011.

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**ORDER:-**

In the reference 1st read above, General Manager, District Industries Centre, Ranga Reddy District executed registered lease deed in favor of M/s Kakatiya Industrial & Commercial Developers Private Limited, Hafeezpet, Ranga Reddy District on 25.01.2008 for

- a) Plot no's 6&8 date of lease from 27.07.1994 to 26.07.2024,
- b) Plot No.7 date of lease from 29.09.1992 to 28.09.2022 and
- c) Plot No. 21/A date of lease from 20.07.1992 to 19.07.2022.

2. In the reference 2<sup>nd</sup> read above, the Government, accorded permission to the Commissioner of Industries to take further action to extend the lease hold rights for a further period of 25 years from the date of expiry of the present lease hold rights period in respect of Plot Nos. 6,7,8 and 21/A of MIE, Hafeezpet, Ranga Reddy District, in favour of Sri D.B. Narendra Babu, representing M/s Kakatiya Industrial & Commercial Developers Private Limited, Hyderabad. The Commissioner of Industries, requested to take up the matter on approval of plans of the Company with IALA, Sanathnagar/Jeedimetla. He is also requested to take necessary action in terms of clause e, ("i.e that the lessee shall be permitted to mortgage, to register, his lease hold interest in favour of a financial agency") of the Lease Deed executed, to enable the company to obtain loans from the financial institutions.

3. Meanwhile, the unit holder approached the Hon'ble High Court by filing the W.P. No. 8576 of 2011 dated 29/03/2011 due to delay in implementation of the orders of the Government in the Memo No. 2274/INF/A2/2008, Dated : 04-01-2010.

4. In the reference 3<sup>rd</sup> read above, a team consisting of Additional Director (R), Deputy Director (IP) and Assistant Director (INF) from the Commissionerate of Industries visited the unit and in its report 23.04.2011 informed that M/s Kakatitya Industries & Commercial Developers Private Limited has leased out some portion and thus violated clause 4 of the lease deed Dated : 25-01-2008 and clause (b) of the original lease deed Dated : 13-04-1989 by sub-leasing the premises to (i) Central Bank of India, Hafeezpet Branch (ii) Axis Bank ATM center (iii) Central Bank of India ATM center (iv) ICICI Bank ATM center which are purely commercial activities.

5. In the reference 4<sup>th</sup> read above, while enclosing the report of the committee, dated:23.04.2011 headed by Additional Director of Industries along with photos, the Commissioner of Industries addressed the Government that there is clear cut violation of lease terms and conditions and it is requested that necessary instructions may be issued for initiating required action to cancel the lease.

6. In the reference 5<sup>th</sup> read above, Hon'ble High Court of Judicature for the States of Telangana and Andhra Pradesh at Hyderabad passed orders directing the Commissioner of Industries and General Manager, District Industries Centre, Ranga Reddy to take appropriate action pursuant to the Memo No. 2274/INF/A2/2008 dated 04.01.2010 issued by the state Government within a period of 2 months for the date of receipt of copy of this order.

7. In the reference 6<sup>th</sup> read above, Commissioner of Industries addressed the Government informing that the request of the M/s Kakatiya Industrial & Commercial Developers, Mini Industrial Estate, Hafeezpet for further renewal of the lease period cannot be considered by this Department due to the various violations committed by the Unit and requested the Government to take appropriate action in the matter at an early date so as to implement the Hon'ble High Court Orders.

**(P.T.O)**

8. In the reference 7<sup>th</sup> read above, the High Court of Judicature for the States of Telangana and Andhra Pradesh at Hyderabad in its order dt.01.07.2016 have directed the Commissioner of industries and General Manager, District Industries Centre, Ranga Reddy District to show cause either appearing in person or through Advocate duly instructed on 29.07.2016 to which date the case stands posted for hearing, failing wherein, the said case will be heard and determined ex-parte.

9. In pursuance of the Memo. issued vide [No.2274/INF/A2/2008](#) Dt:04.01.2010 and in accordance with the direction of the Hon'ble High Court to take further action as per Memo. to extend the lease hold rights for a further period of 25 years, the Government has taken up a detailed site visit by a team of Officers to ensure compliance with the terms of the lease deed.

10. Further, the Government observed that M/s Kakatiya Industrial & Commercial Developers Pvt., Ltd., has violated the following:

- i. Did not start construction activity in Plot No. 6&7 and thus violated clause No.10 of the lease deed. (i.e. The Lessee agrees that he will commence construction of the factory building and commence running of the approved industrial within six months from the date of allotment of the plot in the industries estate in his favour or within such extended period as may be fixed by the Government from time to time).
- ii. Leased out the premises to Central Bank of India, Hafeezpet Branch, Axis Bank ATM, Central Bank ATM and ICICI Bank ATM violating clause -b, clause 4 & 7 of the lease deed (i.e: **clause-b**: That no portion of the land shall be transferred by way of sale, lease, gift or otherwise dispose off, by the lessee and ownership of the land shall always continue to vest with the Government, **clause 4**:- the lessee hereby agrees that he shall utilize the lease schedule land only for such industry as has been or as may be approved by the Director of Industries, Government of Andhra Pradesh & **clause 7** :- the Lessee agrees that if the unit is used by him or any one acting under instruction from or on behalf of him or by anyone under his control with or without his knowledge for any purpose whatsoever other than the authorized industry, the Government, shall immediately take over the unit and cancel his allotment.)

11. Further, it is to be mentioned that the matter was examined as per the orders in the Government Memo.No.2274/INF/A2/2008 dated:04.01.2010 and orders of the Hon'ble High Court of Judicature at Hyderabad for the States of Telangana & Andhra Pradesh in W.P No.8576 of 2011 dt.15.12.2015.

12. In view of the above violations committed by the Lease holder (i.e. M/s Kakatiya Industrial & Commercial Developers Pvt., Ltd.) it is observed that it is a fit case to cancel the present lease and not to extend the existing lease. After careful consideration of all the above facts, the Government hereby rejects the request of M/s Kakatiya Industrial & Commercial Developers Pvt., Ltd., for further extension 25 years of the lease from the expiry of the present lease period of the land situated in Plot No. 6, 7, 8 and 21/A, Mini Industrial Estate, Hafeezpet, Rangareddy District and further cancels the present lease of the land in Plot No. 6, 7, 8 and 21/A, Mini Industrial Estate, Hafeezpet, Ranga Reddy District with immediate effect by invoking clause 11 of the lease deed.

13. The Commissioner of Industries, Hyderabad shall take further necessary action in the matter.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA]

SABYASACHI GHOSH  
SECRETARY TO GOVERNMENT

To  
M/s. Kakatiya Industrial & Commercial Developers Private Limited,  
Plot No.8, MIE, Hafeezpet, Ranga Reddy District.  
The Commissioner of Industries, Telangana, Hyderabad.

Copy to:

The General Manager, Dist Industries Centre, Ranga Reddy District.  
The Government Pleader for Industries & Commerce Dept., Hon'ble High Court, Hyderabad.  
Sc/sf.

// FORWARDED :: BY ORDER //

SECTION OFFICER